



Energy Solutions

## State of Michigan Energy Performance Contracting



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# Agenda

- Chevron Energy Solutions (Chevron ES) Overview
- Performance Contracting Process
- Kinross Correctional Project Value
- Kinross Correctional Project Scope



# Chevron ES Overview



Human Energy



# Chevron ES Overview

- Chevron ES is an integral part of Chevron Corporation a Fortune Three company
- We provide turn-key environmentally sound projects with guaranteed savings backed by Chevron
- Over 300 energy professionals dedicated to performance contracting and located in over two dozen offices nationwide
- We develop, design and construct facility projects that increase energy efficiency, reduce carbon footprint, reduce energy costs and improve operations
- We are NAESCO accredited, DoE , DoD and State of Michigan approved ESCO

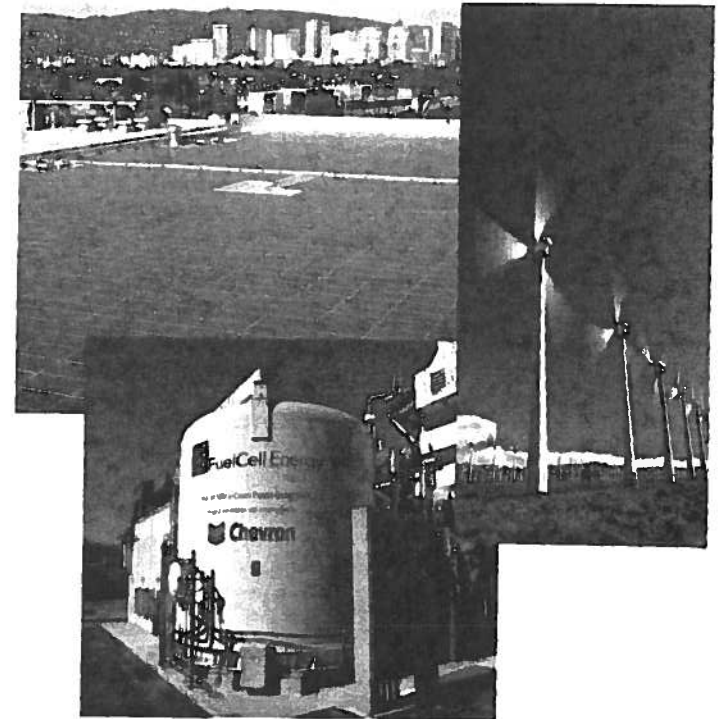


Human Energy



# Chevron ES Overview

- We are a growing engineering-based company that has implemented over \$2 Billion in Energy Projects
- We have hundreds of projects in various stages of development with a typical size of \$3-7 Million (*Largest project to date - \$100 MM at Fort Detrick, Maryland which has just added on another \$57.4 MM project*)
- Our project bundles focus on providing proven technologies, including renewable power solutions (*geothermal, solar, wind, fuel cells*), energy management and building infrastructure systems



# Chevron ES Overview

## Our Michigan Experience



### ■ Local Projects include:

- 144 Post Offices Throughout Southeastern Michigan
- State of Michigan Capitol Complex
- Oakland University, Phases 1 & 2
- Eastern Michigan University
- Walled Lake Schools
- Kettering University
- Ferris State University
- City of Farmington Hills
- Washtenaw County
- Hastings School District
- Oxford School District



# Performance Contracting Process



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# What Is Performance Contracting?

Performance contracting is a method for a building owner to make **capital improvements** to facilities, **finance** all associated cost, and have a **guarantee** for the **annual utility and operational savings**.

*This is an innovative procurement solution  
for funding building improvements from  
existing budgets without using tax dollars.*



# State of Michigan Performance Contracting Process



- In 2010 the State of Michigan, Department of Corrections released a Request for Proposal for Energy Performance Contracting at three DOC facilities
- Through the bid process Chevron ES was awarded the Energy Performance Contract for Kinross Correctional Facility
- Our evaluation of the facilities for energy conservation uncovered many opportunities for the State to reduce operating cost while improving energy efficiency and reducing carbon footprint



## Kinross Project Scope

Project scope included the implementation of the following Energy Conservation Measures (ECM's):

- Lighting
- Water conservation
- Decentralized steam plant
- Building automation



## Kinross Project Value

- Project Value = \$3,212,703
- Term of the Project = 10 years
- Guaranteed annual energy savings = \$233,123
- During the construction phase (*past 8 months*) the State has already realized energy savings of **\$90,817** for this facility.



Thank You!

**Chevron Energy Solutions**